

CASA of Terrebonne, Inc.



Independent Auditor's Report of Financial Statements

As of and for the Year Ended December 31, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

7/22/09



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CASA OF TERREBONNE, INC.

Independent Auditor's Report on Financial Statements
As of and for the year ended December 31, 2008

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
CASA of Terrebonne, Inc.

We have audited the accompanying statement of financial position of CASA of Terrebonne, Inc. (a nonprofit corporation), as of December 31, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the CASA of Terrebonne, Inc. as of December 31, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2009, on our consideration of the CASA of Terrebonne's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of CASA of Terrebonne taken as a whole. The accompanying schedule of functional expenses on page 11 and supplemental schedule of grant income and operating cost by grant on page 12 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script, appearing to read "T.S. Kearns & Co.", written over a horizontal line.

June 29, 2009

Financial Section

CASA OF TERREBONNE, INC.
Statement of Financial Position
December 31, 2008

ASSETS**CURRENT ASSETS:**

Cash and cash equivalents	\$ 80,051
Grants receivable - LA Supreme Court	28,930
Certificates of deposit	66,483
Prepaid insurance	<u>1,965</u>

TOTAL CURRENT ASSETS 177,430

PROPERTY AND EQUIPMENT:

Furniture & equipment	11,129
Accumulated depreciation	<u>(9,501)</u>

TOTAL PROPERTY & EQUIPMENT 1,628

OTHER ASSETS:

Deposits	<u>1,155</u>
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TOTAL OTHER ASSETS 1,155

TOTAL ASSETS \$ 180,213

LIABILITIES AND NET ASSETS**CURRENT LIABILITIES:**

Accounts payable	\$ 3,130
Accrued compensated absences	<u>4,126</u>

TOTAL CURRENT LIABILITIES 7,257

NET ASSETS:

Unrestricted	143,077
Temporarily restricted	28,930
Restricted	<u>949</u>

TOTAL NET ASSETS 172,957

TOTAL LIABILITIES & NET ASSETS \$ 180,213

The accompanying notes are an integral part of these financial statements.

CASA OF TERREBONNE, INC.
Statement of Activities
For the Year Ended December 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Restricted</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT:				
Fund-raising activities	\$ 47,283			\$ 47,283
Donations	12,545			12,545
Interest income	3,342			3,342
Miscellaneous income	4,620			4,620
Grant income		\$ 313,438		313,438
Satisfaction of restrictions	<u>316,169</u>	<u>(313,628)</u>	<u>\$ (2,541)</u>	<u>-</u>
Total revenue and other support	383,959	(191)	(2,541)	381,227
EXPENSES:				
Program services:				
Court appointed special advocate	277,035			277,035
Support services:				
General and administrative	87,558			87,558
Fund-raising expense	<u>8,035</u>			<u>8,035</u>
Total support services	95,592			95,592
Total expenses	<u>372,628</u>			<u>372,628</u>
INCREASE (DECREASE) IN NET ASSETS	11,331	(191)	(2,541)	8,600
NET ASSETS AT BEGINNING OF YEAR	<u>131,746</u>	<u>29,121</u>	<u>3,490</u>	<u>164,357</u>
NET ASSETS AT END OF YEAR	<u>\$ 143,077</u>	<u>\$ 28,930</u>	<u>\$ 949</u>	<u>\$ 172,957</u>

The accompanying notes are an integral part of these financial statements.

CASA OF TERREBONNE, INC.
Statement of Cash Flows
For the Year Ended December 31, 2008

Cash flows from operating activities	
Increase in net assets	\$ 8,600
Adjustments to reconcile net assets to net cash provided by operating activities:	
Depreciation	2,032
Changes in assets and liabilities:	
(Increase) decrease in grants receivable	191
(Increase) decrease in prepaid insurance	(1,965)
Increase (decrease) in accounts payable	699
Increase (decrease) in accrued vacation payable	489
Net cash provided by operating activities	\$ 10,046
 Cash flows from investing activities	
Loss on the disposal of capital assets	644
Redeposited interest earned on investments	(1,694)
Net cash used in investing activities	\$ (1,050)
 Cash flows from financing activities	-
Net increase (decrease) in cash and cash equivalents	8,996
 Cash and cash equivalents	
Beginning of year:	
Capital One Checking	25,311
Capital One Savings	45,745
Total cash and equivalents at beginning of year	\$ 71,056
 End of year:	
Capital One Checking	13,443
Capital One Savings	66,609
Total cash and equivalents at end of year	\$ 80,051

The accompanying notes are an integral part of these financial statements.

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2008

INTRODUCTION

CASA of Terrebonne, Inc. (a nonprofit organization) is a member of the National Court Appointed Special Advocate Association. Their mission is to be an independent and objective presence in the courts and to speak for the best interests of abused and neglected children of Terrebonne Parish. CASA promotes and supports trained community volunteers to represent children and help secure for each child a nurturing, safe, and permanent home.

NOTE I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described to enhance the usefulness of the financial statements to the reader. The financial statements of the CASA of Terrebonne, Inc. (a nonprofit organization) have been prepared on the accrual basis; therefore, certain revenues and the related assets are recognized when awarded rather than when received and certain expenses are recognized when the obligation is incurred rather than when paid. These policies have been consistently applied in the preparation of the financial statements. The corporation has no capital stock.

A. BASIS OF PRESENTATION

The financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit organizations*, which requires the Organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the organization is required to present a statement of cash flows.

B. USE OF ESTIMATES

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

C. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, CASA considers all highly liquid debt instruments purchased with an original maturity of ninety days or less to be cash equivalents. There were no restricted cash equivalents at year-end.

D. PROPERTY AND EQUIPMENT

Property and equipment purchased with an original cost of \$1,000 or more are reported at historical cost. Donations of property and equipment are recorded as support at their estimated fair value as of the date received. Such donations are

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2008

reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment are depreciated using the straight-line method over their estimated useful lives as follows:

Equipment & furniture	5-7 years
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E. REVENUE RECOGNITION

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Grant revenue is recognized as it is earned in accordance with approved contracts.

F. ADVERTISING

Advertising costs are expensed when incurred.

G. INCOME TAX STATUS

CASA of Terrebonne, Inc. is exempt from federal income tax under Section 501 (C) (3) of the Internal Revenue Code. In addition, the organization qualifies for the charitable contribution deduction under section 170 (b) (1) (A) and has been classified as an organization that is not a private foundation under Section 509 (a) (2). Accordingly, no provision for income taxes is made in the financial statements.

H. NATURE OF ACTIVITIES

CASA of Terrebonne, Inc. is a nonprofit organization that provides trained volunteers as court appointed special advocates to serve as liaisons between the courts and children placed in foster care. The Organization is primarily supported through

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2008

donor contributions, grants, and fund-raising events. Approximately 83% of the Organization's support was from grants.

I. EXPENSE ALLOCATION

The costs of providing the program and other activities have been summarized on a functional basis in the Statement of Activities. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved.

J. CONTRIBUTED FACILITIES AND SERVICES

Donated services are recognized as contributions in accordance with SFAS No. 116, "Accounting for Contributions Received and Contributions Made", if the services (a) create or enhance nonfinancial assets or (b) required specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Many individuals volunteer their time and perform a variety of tasks that assist the Organization with the advocacy program throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under SFAS No. 116 were not met.

K. VACATION AND SICK LEAVE

Eligible employees will be granted paid vacation on the employee's anniversary date of each calendar year according to the following schedule.

Six months to one year	5 days
One to six years	10 days
Six years and up	15 days

Unused vacation leave may be carried forward to the next calendar year. Upon separation, employees will be compensated for any unused vacation accumulated.

Eligible employees will be granted 40 hours per year sick leave after three months of employment. This is granted on their anniversary date. Sick leave is not accrued nor paid upon separation.

NOTE II CONCENTRATION OF RISK

CASA's primary sources of support are from grants awarded by the state. Management is always seeking funding for the upcoming years through renewals of current grants as well as by applying for new grants; however, in the event the Organization is unable to secure additional funding, the financial position of the Organization could be significantly impacted.

The organization's support through grants totaled 83% for the year ended December 31, 2008.

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2008

NOTE III OPERATING LEASE

CASA of Terrebonne leases its administrative facilities under two operating leases.

The first lease renewed July 1, 2008, for a term of one year. This lease secured office space for their Thibodaux satellite office. Rent is \$1,350 monthly, payable on the first of the month.

The second lease commenced September 1, 2007, for a term of sixteen months. This lease secured office space for their Houma office. Rent is \$1,400 monthly, payable on the first of the month.

Rent expense for the year ended December 31, 2008, relating to these leases was \$32,100.

NOTE IV CASH AND CERTIFICATES OF DEPOSIT

Cash and Certificates of deposit (book balances) consisted of the following at December 31, 2008:

	Carrying value & Fair value	Interest Rate	Maturity Date
Cash			
Capital One - Checking	\$ 13,443	N/A	N/A
Capital One - Tower Gold Savings	66,609	0.88%	N/A
Total Cash and Cash Equivalents	<u>\$ 80,051</u>		
 Certificates of deposit			
Capital One - CD #969317	\$ 16,928	0.56%	1/19/2009
Capital One - CD #1013938	16,265	1.30%	2/16/2009
Capital One - CD #1066419	17,089	1.98%	11/3/2009
Capital One - CD #1089840	16,202	3.69%	9/12/2009
Total Certificates of Deposit	<u>\$ 66,483</u>		

At year-end, CASA had cash and certificates of deposit (collected bank balances) totaling \$151,445. These deposits are stated at cost, which approximates market. These deposits are secured from risk up to \$250,000 by federal depository insurance.

CASA OF TERREBONNE, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2008

NOTE V PROPERTY AND EQUIPMENT

Property and Equipment at December 31, 2008, consisted of the following:

Equipment	\$11,129
Accumulated Depreciation	<u>(9,501)</u>
Net	<u>\$ 1,628</u>

Depreciation expense for the year ended December 31, 2008 was \$2,032.

NOTE VI NET ASSETS

As required by SFAS No. 117, net assets have been reclassified into three categories: unrestricted, temporarily restricted, and restricted. The reclassification is as follows:

Unrestricted	\$ 143,077
Temporarily Restricted	28,930
Restricted	<u>949</u>
Total Net Assets	<u>\$ 172,957</u>

Temporarily restricted net assets are restricted for operating activities for future use. Restricted net assets are composed of equipment specifically designated by grant provisions.

NOTE VII BOARD COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation was paid to any board member for the year ended December 31, 2008.

NOTE VIII LITIGATION AND CLAIMS

At December 31, 2008, CASA had no litigation or claims pending.

Supplementary Information

CASA OF TERREBONNE, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2008

	PROGRAM SERVICES	SUPPORT SERVICES			
	Court Appointed Special Advocate	Management and General	Fund-raising	Total Support Services	Total Expenses
Salaries & fringe benefits	\$ 184,885	\$ 52,624		\$ 52,624	\$ 237,509
Supplies	12,794	456		456	13,250
Training	6,831	1,679		1,679	8,509
Operating expense	50,336	6,881		6,881	57,218
Printing	7,753	-		-	7,753
Professional fees	3,524	16,072		16,072	19,596
Repairs and maintenance	-	938		938	938
Travel					
Per diems	-	127		127	127
Other travel	9,015	1,999		1,999	11,014
Volunteer appreciation	-	2,965		2,965	2,965
Small furniture & equipment	-	1,736		1,736	1,736
Depreciation expense	1,897	135		135	2,032
Loss on disposal of asset	-	644		644	644
Other costs	-	1,301		1,301	1,301
Fund-raising expense	-	-	\$ 8,035	8,035	8,035
TOTAL	<u>\$ 277,035</u>	<u>\$ 87,558</u>	<u>\$ 8,035</u>	<u>\$ 95,592</u>	<u>\$ 372,628</u>

CASA OF TERREBONNE, INC.**Supplemental Schedule of Grant Income and Operating Cost by Grant****- Cash Basis****For the Year Ended December 31, 2008**

	Compassion Capital	TANF 2007/2008	TANF 2008/2009	Total
Grant income	\$ 11,778	\$ 194,049	\$ 107,801	\$ 313,628
Operating and administrative expenses:				
Training	-	3,253	3,371	6,624
Operating expense	23	27,333	24,888	52,243
Printing	-	5,102	2,651	7,753
Professional fees	250	3,232	585	4,067
Salaries & benefits	6,811	116,873	99,621	223,305
Supplies	1,870	8,342	1,799	12,011
Travel	-	4,894	3,637	8,531
Total cost	\$ 8,953	\$ 169,028	\$ 136,552	\$ 314,534

Reports by Management

CASA OF TERREBONNE, INC.
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2008

Section I – Internal Control and Compliance material to the financial statements:

Ref. No.

0712-01 Bank Reconciliations

Description of Finding

Internal controls should be in place to safeguard assets and provide assurance that they are accurately reported. Our evaluation of the internal control structure revealed that during 2007, there were instances where bank reconciliations were not being performed properly nor on a timely basis.

The failure to prepare account reconciliations properly and on a timely basis could lead to reporting errors or defalcations not being identified or corrected in a timely basis.

Corrective Action Taken

Bank accounts are reconciled in a timely manner.

Name(s) of Contact Person(s)

Stacey Martin, Executive Director

Section II – Management Letter

There was no management letter issued.

CASA OF TERREBONNE, INC.
Summary Schedule of Current Audit Findings
For the Year Ended December 31, 2008

There are no findings required to be reported.

**Special Reports of
Certified Public Accountants**



REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Of CASA of Terrebonne, Inc.

We have audited the financial statements of CASA of Terrebonne, Inc. (a nonprofit corporation), as of and for the year ended December 31, 2008, and have issued our report thereon dated June 29, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered CASA of Terrebonne's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CASA of Terrebonne's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

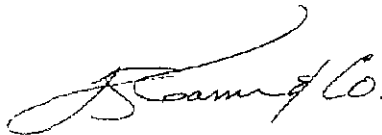
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CASA of Terrebonne's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, the Legislative Auditor of the State of Louisiana, and grantors and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



June 29, 2009